



**COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT**

**Benefits Administrator Memo**

**#04-06**

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**To:** Benefits Administrators  
**From:** Mary P. Habel, Director  
State and Local Health Benefits Programs  
**CC:** All OHB  
**Date:** May 25, 2004  
**Re:** Health Benefits Program Enrollment for Part-time Classified Employees

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Legislation passed during the 2004 General Assembly session extends eligibility for state health benefits coverage to part-time classified employees and their eligible dependents effective July 1, 2004. Included are part-time salaried, classified employees who are regularly scheduled to work at least 20 hours, but less than 32 hours, per week and similarly situated salaried employees in legislative, judicial and independent agencies.

Eligible employees who enroll will pay the total health benefits premium based on the membership and options selected (both the employee and the employer contributions). Premiums may be deducted from their paychecks on a pre-tax basis or paid directly to the agency payroll office. These employees may participate immediately in a Dependent Care Flexible Reimbursement Account (DFRA). Employees have to be eligible for the Health Benefits Program for six continuous months to be eligible for the Medical Flexible Reimbursement Account (MFRA).

An enrollment period for health coverage and DFRAs will be held during the months of June and July for these newly eligible part-time classified employees. These employees can enroll in the MFRA during the month of December 2004 for a January 1, 2005 effective date. If they do not enroll during these specific enrollment periods, they will have to wait until Open Enrollment or until they experience a qualifying mid-year event that would allow the election.

You may accept enrollment forms immediately for a July 1 effective date. ***All enrollment forms must be received no later than July 31.*** The following chart shows the effective date of health coverage or DFRA based on the date an enrollment form is submitted.

If An Enrollment Form is Received...	The Effective Date is...
On or before July 1, 2004	July 1, 2004
Between July 2 and July 31, 2004	Aug. 1, 2004

A sample letter for employees is attached. Please provide a copy of the letter, the enclosed fact sheet on the enrollment, an Enrollment Form for Active Employees and July 2004 premiums to your agency's employees eligible for coverage on July 1. The enrollment form and premiums may be printed from the Department of Human Resource Management's (DHRM) Web site at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov) under Compensation and Benefits. There is also a Health Benefits At-A-Glance summary for July 1 on the DHRM Web site at <http://www.dhrm.virginia.gov/hbenefits/openenroll04/summaryofbenefits04.pdf>.

Part-time classified employees whose PMIS percentage is 50 - 79% will have a Waived BES record automatically created. Use PSB301 and Reason Code 01 to enter the health plan elections into BES. Use PSB200 and Reason Code 01 to enter the DFRA election into BES.

Non-PMIS agencies with newly-eligible part-time classified employees must create a BES record. Use PSB000 and Status NP to create the record. Then enter the appropriate health plan enrollment elections on the PSB301. Use PSB200 and Reason Code 01 to enter the DFRA election into BES. Even if an enrollment form is not submitted during the enrollment period, a Waived BES record must be created.

Also remember to notify on an ongoing basis new hires or other employees who become eligible for the program because of part-time classified employee status. They would have to enroll in health coverage or a DFRA within 31 days of employment or eligibility.